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Classified By: Ambassador James F. Moriarty. Reasons 1.4 (b/d).

Summary

11. (C) In an August 2 conversation with the Ambassador, Indian Ambassador Shiv Shankar Mukherjee indicated that the Government of India (GOI) was moving in unison with the U.S. on Nepal policy, insisting that the Maoists give up their weapons before entering an interim government. Mukherjee also agreed with the Ambassador that the GON needed to start acting like a real government and working harder to enforce the rule of law. Mukherjee worried that no one was controlling Nepal's security forces, and that this could cause problems in the future. The GOI was not impressed by the UN team visiting Nepal and was concerned about the Maoists' intentions. Mukherjee told the Ambassador that the GOI saw a "window of opportunity" on Bhutanese refugee issues, but worried that the window could close. The recent visit of the Chinese Foreign Minister did not seem to overly worry Ambassador Mukherjee. End Summary.

GON Needs To Stand Firm On Arms Management

12. (C) Ambassador Moriarty met with Indian Ambassador Shiv Shankar Mukherjee on August 2 to discuss the current political environment in Nepal. Mukherjee began by stressing that the GOI shared the U.S. position that the Maoists should not be allowed to join an interim government before giving up their weapons. Mukherjee was firm that their arms must be "decommissioned." His definition of "decommissioning" was that the Maoists would be physically separated from their weapons and no longer able to use those weapons to threaten the people of Nepal. Mukherjee said that during Indian Foreign Minister Shyam Saran's recent visit to Nepal, Saran had stressed to his Nepali interlocutors that this was the GOI's position. Mukherjee also said that Saran made clear that if the Maoists did enter an interim government without decommissioning their weapons, India, like the U.S., would be forced to "reconsider" its economic assistance to Nepal.

GON Needs To Act Like A Real Government

13. (C) The Ambassador and Mukherjee agreed that the GON needed to start acting like a real government by asserting control and enforcing law and order. Mukherjee emphasized that the GON needed to show it can govern effectively, as the Maoists would view weakness on the part of the GON as indicating that a military push might succeed in overthrowing the government. Mukherjee was concerned about the aggressiveness of the Maoists in recent days and the lack of response from the GON. The GOI continued to let the GON know that it supported Nepal's transition to democracy and recognized the GON as the legitimate, democratically elected government of Nepal. Mukherjee hoped that international pressure on the Maoists to give up their weapons coupled with international pressure on the GON to hold the line could force the Maoists to blink first and give in on arms management. Mukherjee remained concerned that Maoist activity indicated a desire to push for total power; he told the Ambassador that the Maoists had offices in 63 towns and cities in Nepal.

GON Needs To Assert Control Over Security Forces

14. (C) Mukherjee said that, after meeting with Home Minister Krishna Sitaula, he was concerned about the relationship between the GON and the police. The acting Inspector General of the Nepal Police wanted to start having regular meetings with the Home Minister to help chart a course for the Police, but Sitaula himself was not interested in such meetings. Mukherjee was concerned that no one is telling the security forces in the country what to do, and this could cause problems in the future.

GOI Not Impressed By UN Team

15. (C) Mukherjee stated that the UN observation team, led by Staffan de Mistura, did not seem to be moving forward effectively. Mukherjee doubted whether the UN team would be able to convince the Maoists and the GON to reach consensus on arms management. The Ambassador and Mukherjee agreed that it appeared the Maoists did not want to be the party to torpedo the peace process while the UN was here, but both were concerned that they may move toward this after the UN team leaves.

"Window Of Opportunity" on Bhutanese Refugee Issues

16. (C) The Ambassador raised the possibility of GOI assurance to the GON not to allow future expulsions of Bhutanese refugees across India. The Ambassador explained to Mukherjee that this perhaps could be in the form of a quiet assurance to the GON. Mukherjee said he had discussed the issue of Bhutanese refugees extensively with Foreign Minister Saran. Mukherjee said that both he and Saran worried about the growth of Maoist infiltration in the camps and the security implications this could have for India. The Indian envoy seemed increasingly worried that the camps could pose a real security threat to India in the future, and thought that with third countries currently willing to resettle large numbers of refugees there might now be a "window of opportunity" to move on the Bhutanese refugee issue. He promised a readout of the late July visit to New Delhi by the Bhutanese King, during which Saran had intended to raise the refugee issue.

Chinese Visit Not A Concern To GOI

17. (C) Mukherjee did not see the recent visit of Chinese Foreign Minister Wu Tawei (reftel) as a major change in PRC policy toward the Maoists. Mukherjee speculated that the recent visit to Nepal of a Chinese academic who had met with the Maoists indicated a desire by Beijing to establish some contact with the Maoists now that they were above ground. Mukherjee was concerned about reports of importation of weapons from China by the Maoists, but noted that the Indians

were not clear whether Beijing had approved these sales.

Comment

18. (C) The Indians are playing a helpful role in reinforcing our message to the Government and people of Nepal on the absolute necessity of management of Maoist weapons before the Maoists enter the government. They also share our concern about the need for PM Koirala to enforce the rule of law. Whether Ambassador Mukherjee's pessimism about the effectiveness of the UN team will prove warranted should be clear very soon. De Mistura is scheduled to leave tomorrow, agreement or no agreement.
MORIARTY